| APPLICATION NO. | FILING DATE | FIRST NAMED INVENTOR | ATTORNEY DOCKET NO. | CONFIRMATION NO. |
|---|---|---|---|---|
| 09/466,271 | 12/17/1999 | IAN M. DRYSDALE | FDC-0135-PUS | 9967 |

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|---|---|---|
| 22045 | 7590 | 08/02/2006 |

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| EXAMINER |
|---|
| BORLINGHAUS, JASON M |

| ART UNIT | PAPER NUMBER |
|---|---|
| 3693 | |

DATE MAILED: 08/02/2006

Please find below and/or attached an Office communication concerning this application or proceeding.

PTO-90C (Rev. 10/03)

|  | Application No. | Applicant(s) |
|---|---|---|
| **Office Action Summary** | 09/466,271 | DRYSDALE, IAN M. |
|  | Examiner | Art Unit |  |
|  | Jason M. Borlinghaus | 3693 |  |

*-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --*

**Period for Reply**

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE <u>3</u> MONTH(S) OR THIRTY (30) DAYS, WHICHEVER IS LONGER, FROM THE MAILING DATE OF THIS COMMUNICATION.
- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

**Status**

1)☒ Responsive to communication(s) filed on <u>09 May 2006</u>.

2a)☒ This action is **FINAL.**    2b)☐ This action is non-final.

3)☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

**Disposition of Claims**

4)☒ Claim(s) *1-8 and 10-20* is/are pending in the application.

    4a) Of the above claim(s) _____ is/are withdrawn from consideration.

5)☐ Claim(s) _____ is/are allowed.

6)☒ Claim(s) *1-8,10-20* is/are rejected.

7)☐ Claim(s) _____ is/are objected to.

8)☐ Claim(s) _____ are subject to restriction and/or election requirement.

**Application Papers**

9)☐ The specification is objected to by the Examiner.

10)☐ The drawing(s) filed on _____ is/are: a)☐ accepted or b)☐ objected to by the Examiner.

    Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).

    Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).

11)☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

**Priority under 35 U.S.C. § 119**

12)☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).

    a)☐ All    b)☐ Some * c)☐ None of:

      1.☐ Certified copies of the priority documents have been received.

      2.☐ Certified copies of the priority documents have been received in Application No. _____.

      3.☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

    * See the attached detailed Office action for a list of the certified copies not received.

**Attachment(s)**

1)☒ Notice of References Cited (PTO-892)

2)☐ Notice of Draftsperson's Patent Drawing Review (PTO-948)

3)☐ Information Disclosure Statement(s) (PTO-1449 or PTO/SB/08)
    Paper No(s)/Mail Date _____.

4)☐ Interview Summary (PTO-413)
    Paper No(s)/Mail Date. _____ .

5)☐ Notice of Informal Patent Application (PTO-152)

6)☐ Other: _____.

PTOL-326 (Rev. 7-05)        Office Action Summary        Part of Paper No./Mail Date 20060714

## DETAILED ACTION

### *Claim Rejections - 35 USC § 103*

The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all

obviousness rejections set forth in this Office action:

> (a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negatived by the manner in which the invention was made.

The factual inquiries set forth in *Graham* v. *John Deere Co.*, 383 U.S. 1, 148

USPQ 459 (1966), that are applied for establishing a background for determining

obviousness under 35 U.S.C. 103(a) are summarized as follows:

1.    Determining the scope and contents of the prior art.
2.    Ascertaining the differences between the prior art and the claims at issue.
3.    Resolving the level of ordinary skill in the pertinent art.
4.    Considering objective evidence present in the application indicating obviousness or nonobviousness.

To ensure clarity and clear understanding of examiner's rationale for application

of cited prior art, terminology contained within parentheses indicates quoted language

contained within said cited prior art reference while unquoted language contained within

parentheses indicates the general concept as conveyed by said cited prior art

reference. Such parenthetical terminology is to be interpreted as "reading on" or being

"mapped to" the claim language prior to such parenthetical inclusions.

**Claims 1 – 3, 5 – 8, 10 - 15, 17 - 19 and 21** are rejected under 35 U.S.C. 103(a)

as being unpatentable over Muftic (US Patent 5,850,442) in view of PR Newswire

(*General Instrument's Digital Interactive Cable TV Set-Top Terminals To Become The Latest New Acceptance Device For Smart Cards.* PR Newswire. New York. December 10, 1998. p.1) and Booker (Booker, Ellis. *New System A Welcome Guest at Hyatt. Computerworld.* vol. 25, iss. 28. July 15, 1991. pp. 51 – 53).

**Regarding Claims 1 – 3, 5- 8 and 10**, Muftic discloses a method of performing a card transaction using a transaction card, the method comprising:

- accessing a web server of a merchant service provider ("logged on to a server") via an Internet service provider using a transaction device ("computer is equipped with a card reader") during a transaction ("conducting electronic commerce"/"electronic payment") involving a transaction card ("smartcard" containing "smart tokens"), wherein the web server ("server") includes commands (programming logic) for processing transaction information ("business transactions") associated with the transaction card to obtain authorization ("authentication") from the merchant service provider ("server") for the transaction; (see col. 7, lines 14 – 64; col. 10, lines 27 – 48; col. 12, lines 5 – col. 14, line 62);

- entering the transaction card into a card reader of the transaction device in order to enter transaction information ("read... smart tokens") associated with the transaction card into the web server; (see col. 10, lines 27 – 48);

- wherein accessing a web server comprises accessing a web page ("home page") of the web server, and wherein the web page includes commands

for processing the transaction information ("order information"). (see col.
13, lines 28 – 39);

- further comprising entering ("fills in") additional transaction information
  ("electronic ID of the seller and the amount") into the web server via the
  transaction device ("computer"). (see col. 14, lines 37 – 58);

- using a keypad ("keyboard") of the transaction device ("computer"). (see
  col. 10, lines 27 – 39);

- further comprising displaying information on a display device ("display") of
  the transaction device ("computer"). (see col. 10, lines 27 – 39);

- wherein displaying information includes displaying an advertisement
  ("company's home page"/ "yellow pages" listing) downloaded from the
  Internet ("web"). (see col. 20, lines 10 – 37);

- wherein displaying information includes displaying an electronic coupon
  ("certificates of insurance") downloaded from the Internet ("network"). (see
  col. 20, line 68 – col. 21, line 17); and

- further comprising updating the commands of the web server ("loading
  authentic information into a server"). (see col. 12, lines 5 – 40).

Muftic does not teach underlined limitations – a method comprising:

- entering the transaction card into a card reader of the transaction device in
  order to enter transaction information associated with the transaction card
  into the web server <u>during the transaction</u>;

- wherein the transaction device does not utilize any merchant service provider proprietary software for the transaction information to be processed to obtain authorization from the merchant service provider for the transaction;

- wherein the transaction device accesses the web server without accessing any merchant service provider proprietary network.

Muftic does not explicitly teach that the entering of transaction information *during* the transaction. However, entrance of transaction information during the transaction, rather than before or after the transaction, is old and well known in the art of information technology and security, as separating the entrance of transaction information from the transaction, itself, presents the security risk of unauthorized and/or incomplete transactions due to the temporal separation of entering transaction information and performance of said transaction. Therefore, it would have been obvious to one of ordinary skill in the art to have modified Muftic by incorporating the entrance of transaction information during the transaction, rather than before or after, reducing security risks and possible errors due to separation of these two elements of the transaction.

Utilization and implementation of non-proprietary software to complete card-based transactions is old and well known in the art of computer programming and ecommerce, as evidenced by PR Newswire which discloses the development of the Visa Open Platform, "a flexible non-proprietary platform that enables that fast and easy development of globally interoperable multiple application smart card systems." (see p.

1). The Visa Open Platform has been accepted to allow transaction devices (GSM mobile phones) to complete transactions (load applications onto smart cards). (see p.1). It would have been obvious to one of ordinary skill in the art at the time the invention was made to have modified Muftic by incorporating non-proprietary software onto the transaction device to complete the transaction, as disclosed by PR Newswire, allowing "fast and easy development" of said card-based system, furthering Muftic's stated motivation of developing a system for electronic transactions to occur over "an open network." (see col. 1, lines 19 – 22).

Utilization of a non-proprietary network and the benefits of non-proprietary technology and/or software, in general, is old and well known in the art of information technology as evidenced by Booker which discusses the switch from "a proprietary to a nonproprietary wide-area network" that resulted in financial savings "in leasing fees and maintenance" and allowed them "to respond [more] quickly to changes in the marketplace." It would have been obvious to one of ordinary skill in the art at the time the invention was made to have modified Muftic and PR Newswire to incorporate a non-proprietary network and non-proprietary technology, in general, as disclosed by Booker, to allow the system to capture the benefits of non-proprietary technology.

Furthermore, based upon the benefits of non-proprietary technology and/or software, as disclosed by Booker, one of ordinary skill in the art at the time the invention was made to have further modified Muftic, PR Newswire and Booker by eliminating as much propriety technology and/or software as possible, if not all proprietary technology

and/or software, from the system to capture the benefits of non-proprietary software
and/or technology.

**Regarding Claim 11**, Claim 11 recites similar limitations and/or would have been
obvious based upon Claim 1 rejected above, and is therefore rejected using the same
art and rationale as applied in the rejection of Claim 1. Differing claim limitations of
Claim 11 are taught by Muftic such as a method wherein:

- the transaction information includes an account number associated with
  the transaction card ("Credit_Card domain of a smart token...contains
  identifying information about the credit card company, the account name
  and number"). (see col. 14, lines 20 – 33).

**Regarding Claims 12 - 15**, further system claims would have been obvious from
method claims rejected above, Claims 1, 3 and 5 - 8, and are therefore rejected using
the same art and rationale.

**Regarding Claims 17 – 19**, Muftic discloses a method:

- wherein the card transaction involves a smart card. (see col. 10, lines 26 -
  48);

- wherein the transaction device comprises a point of service terminal
  ("terminal") at a merchant or retail location ("commercial establishments").
  (see col. 4, line 60 – col. 5, line 5); and

- further comprising transmitting information (drawing on line of
  credit/obtaining cash value) to and from a merchant service provider via

the transaction device ("terminal") and the web server ("server"). (see col. 4, line 60 – col. 5, line 5).

**Claims 4, 16 and 20** are rejected under 35 U.S.C. 103(a) as being unpatentable over Muftic, PR Newswire and Booker, as applied to Claims 1 and 15, and further in view of Athing (US Patent 5,987,498).

**Regarding Claims 4, 16 and 20**, Muftic discloses a method of performing a card transaction, the method comprising:

- further comprising entering (inputting) additional transaction information (seller ID and amount). (see col. 14, lines 37 – 58);

- further comprising displaying information on a display device (display) of the transaction device (computer). (see col. 10, lines 27 – 39);

- further comprising providing an electronic signature (digital signature). (see col. 13, lines 40 – 48).

Muftic does not teach underlined limitations - a method of performing a card transaction, the method comprising:

- wherein entering additional transaction information <u>using a touch-sensitive screen of the device</u>;

- wherein the display device <u>comprises a touch-sensitive screen</u>; and

- further comprising providing an electronic signature <u>using a pen and the touch-sensitive screen.</u>

Athing discloses a method of performing a card transaction, the method
comprising:

- wherein entering additional information using a touch-sensitive screen of
  the device. (see col. 6, lines 36 – 46);

- wherein the display device comprises a touch-sensitive screen. (see col.
  6, lines 36 – 46); and

- further comprising using a pen (touch-screen pointing device) and the
  touch sensitive screen. (see col. 6, lines 35 – 46).

It would have been obvious to one of ordinary skill in the art at the time the

invention was made to have modified Muftic and PR Newswire by incorporating

conventional input and display devices such as a pen and touch sensitive screen, as

disclosed by Athing, to further facilitate communication over the network.


### Response to Arguments

Applicant's arguments filed 5/9/06 have been fully considered but they are not

persuasive in part and persuasive in part.

**In response to applicant's argument concerning § 112, 1st paragraph,**

examiner accepts applicant's amendments and hereby withdraws such rejection.

**In response to applicant's argument that the prior art reference(s) fail to**

**disclose claim limitations as claimed in Claims 1 and 11 - 12**, examiner assumes

the applicant means to address pending claims, as currently amended, as such

limitations were only just been incorporated into the pending claims, and were not

present when originally rejected.


### *Conclusion*

Applicant's amendment necessitated the new ground(s) of rejection presented in

this Office action. Accordingly, **THIS ACTION IS MADE FINAL**. See MPEP

§ 706.07(a). Applicant is reminded of the extension of time policy as set forth in 37

CFR 1.136(a).

A shortened statutory period for reply to this final action is set to expire THREE

MONTHS from the mailing date of this action. In the event a first reply is filed within

TWO MONTHS of the mailing date of this final action and the advisory action is not

mailed until after the end of the THREE-MONTH shortened statutory period, then the

shortened statutory period will expire on the date the advisory action is mailed, and any

extension fee pursuant to 37 CFR 1.136(a) will be calculated from the mailing date of

the advisory action. In no event, however, will the statutory period for reply expire later

than SIX MONTHS from the date of this final action.

Any inquiry concerning this communication or earlier communications from the

examiner should be directed to Jason M. Borlinghaus whose telephone number is (571)

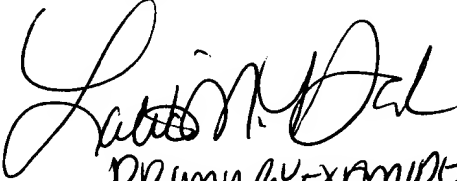272-6924. The examiner can normally be reached on 8:30am-5:00pm M-F.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's

supervisor, James Trammell can be reached on (571) 272-6712. The fax phone

number for the organization where this application or proceeding is assigned is 571-273-8300.

Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see http://pair-direct.uspto.gov. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free). If you would like assistance from a USPTO Customer Service Representative or access to the automated information system, call 800-786-9199 (IN USA OR CANADA) or 571-272-1000.

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